DEPARTMENT OF VETERANS AFFAIRS

Justification and Approval

For

Other Than Full and Open Competition

1) Contracting Activity:

Department of Veterans Affairs Network 15 Contracting Office 5049 South 13th Street Leavenworth, KS 66048

The purchase request number is 764-14-3-077-0660. Items are to be delivered to the Mid South CMOP 764.

- 2) Nature and/or Description of the Action Being Processed: The Mid South CMOP 764 located at 5171 Sam Jared Drive, Murfreesboro, TN. 37130 is requesting approval to purchase BRAND NAME specific NDC drug items. This is a new procurement and will be a firm fixed price contract. The total estimated value for this request is \$93,368.60. The list below does not include all drug items included in this request but only the brand name specific drugs.
- 3) Description of Supplies/Services Required to Meet the Agency's Needs:

Item 34, Bisacodyl 10mg (Magic Bullet) rectal suppositories

- NDC -57648-0002-01 (NO SUBSTITUTES)
- Quantity and Description of request: Bisacodyl 10mg (Magic Bullet) rectal suppositories 100ct bottles x
 12
- Supplier: Concepts in Confidence
- The estimated Purchase Order value for this request for this item is \$648.80

Item 43, One Touch Ultra test strips

- NDC -53885024510 (NO SUBSTITUTES)
- Quantity and Description of request: One Touch Ultra test strips 100ct x 720
- Supplier: Lifescan
- The estimated Purchase Order value is for this request for this item is \$85,046.40
- Approved waiver on file, expiration 9/5/14

Item 44, Lancet, Penlet Plus device

- NDC-53885035601(NO SUBSTITUTES)
- Quantity and Description of request: Lancet, Penlet Plus device x 180
- Supplier: Lifescan
- The estimated Purchase Order value is for this request for this item is \$2,561.40

Approved waiver on file, expiration 9/15/14

Item 45, Prodigy No Code test strip

- NDC-08484052800(NO SUBSTITUTES)
- Quantity and Description of request: Prodigy No Code test strip, 50ct x 360
- Supplier: Prodigy
- The estimated Purchase Order value is for this request for this item is \$5,112.00
- Approved waiver on file, expiration 9/18/14

4) Statutory Authority Permitting Other than Full and Open Competition:

(X) (1) Only One Responsible Source and No Other Supplies or Services Will Satisfy Agency Requirements per FAR 6.302-1; (c) Application for brand name description: Brand name description application applies.

- 5) <u>Demonstration that the Contractor's Unique Qualifications or Nature of the Acquisition Requires the Use of the Authority Cited Above (applicability of authority):</u> Within the VHA brand name drugs may be prescribed by physicians when in their clinical judgment the brand name drug will provide a better therapeutic outcome for patients. Brand name drugs are requested when there is a clinical requirement for the drug. In this case, the brand specific drug name is requested on the list above.
- 6) <u>Description of Efforts Made to ensure that offers are solicited from as many potential sources as deemed practicable:</u>

The requesting pharmacy indicated this medication could be obtained from these six small businesses:

MILLANN LLC, AVKARE INC, CONCEPTS IN CONFIDENCE, DMS PHARMACEUTICAL GROUP INC, MASTERS PHARMACEUTICAL INC, and 3T FEDERAL SOLUTIONS.

7) <u>Determination by the Contracting Officer that the Anticipated Cost to the Government will be Fair and Reasonable:</u>

The Mid South CMOP anticipates the cost to the Government will be fair and reasonable based on competition and comparison to recent prices paid by CMOP.

8) <u>Description of the Market Research Conducted and the Results, or a Statement of the Reasons Market Research Was Not Conducted:</u> After searching NAC & GSA, there are no available contracts for any of the items requested. Products to be acquired have been prescribed for patients by VA physicians. Pharmacy employees do not have the training and/or authority to countermand physician orders. "Brand Specific" products are the same thing as "dispense as written" on a physician prescription. No NDC substitutions are permitted.

A search of the Center for Veteran Enterprise Vendor Information Pages indicates there are no SDVOSB or VOSB vendors which are engaged in the manufacture of pharmaceuticals. A query at the SBA Dynamic Search portal returned possible small business vendors. However, these vendors are not engaged in manufacture, but are distributors for large business wholesalers. Because the Government is not allowed to do business using Wholesale Trade or Retail Trade NAICS codes, searches must be conducted using the manufacture NAICS code of 325412 Pharmaceutical Preparation Manufacturing.

- 9) Any Other Facts Supporting the Use of Other than Full and Open Competition: N/A
- 10) Listing of Sources that Expressed, in Writing, an Interest in the Acquisition: N/A
- 11) A Statement of the Actions, if any, the Agency May Take to Remove or Overcome any Barriers to Competition before Making subsequent acquisitions for the supplies or services required: At this time, the physician has stated the above mentioned name brand drugs are the only brands that will meet the specific needs of the patients, however, we are still competing this amongst qualified vendors.
- 12) Requirements Certification: I certify that the requirement outlined in this justification is a Bona Fide Need of the Department of Veterans Affairs and that the supporting data under my cognizance, which are included in the justification, are accurate and complete to the best of my knowledge and belief.

Stacey Blades
Inventory Manager

June 24, 2014

Date

- 13) Approvals in accordance with FAR 6.304
 - a) Contracting Officer's Certification: (required) I certify that the foregoing justification is accurate and complete to the best of my knowledge and belief.

John C. Fisher
Contracting Officer

Network Contracting Office 15

6/24/14 Date

6/24/14

b) NCM/PCM: I certify the justification meets requirements for other than full and open competition.

Christine L. Scena

Director of Contracting,

Network Contracting Office 15

Off review Lori Kopaez